



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Deval L. Patrick, Governor ♦ Timothy P. Murray, Lt. Governor ♦ Tina Brooks, Undersecretary

**CDBG One-Year Action Plan
FY 2012 Preliminary Proposed Changes**

In light of changes in federal funding levels and program administration/application competitiveness issues, the Department of Housing and Community Development (DHCD) is contemplating changes to several aspects of the CDBG program for FY 2012.

The following issues and the potential for program changes were previewed in the FY 2011 One Year Action Plan.

- Evaluation and calculation of Community Wide Need scores
- Evaluation of the use and availability of bonus points in competitive applications
- Possible requirements for multiple physical activities in target areas
- Possible redefinition of regional activities and/or the incentives related to them
- Limitations on applications in successive years
- Limitations on local retention of Program Income
- Spending caps on administrative and/or program delivery funds
- Determination of eligible Mini-Entitlement communities

After consideration of these and other issues, the Department is currently considering the following specific changes:

D. APPLICANT/PROJECT THRESHOLDS
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Timely Expenditure - Mass CDBG requires that all applicants – including lead applicants and joint participants – who have received grants comply with a timely expenditure threshold in order to apply for FY 2012 programs. If a joint participant has been a lead grantee in a CDBG grant, that community must meet the timely expenditure threshold in order to be included in a joint application.

For FY 2012, in order to apply for CDBG¹ funding, a community must demonstrate, using the most recent financial status report at the time of application that 100% of all grant funds awarded for fiscal year 2009 and earlier have been fully expended, 80% of funds awarded in FY 2010 have been expended and for funds awarded in FY 2011 all required procedural clearances (environmental review, special conditions and administrative services procurement(s)) have been completed at the time of an application for FY 2012 funds.

¹ CDBG includes CDF I and II, Mini-Entitlement, EDF grants, and Reserves, but for the purposes of this calculation excludes loans from EDF, Section 108 guarantees, and Bridge Financing Program. Planning-only grants of \$50,000 or less are also excluded from this calculation.

F. AVAILABILITY OF CDBG PROGRAM FUNDS

Application Due Dates for CDBG FY 2012 Program:

Community Development Fund: December 16, 2011
Mini-Entitlement Program: December 16, 2011
Economic Development Fund: Applications accepted on an ongoing basis

G. EVALUATION CRITERIA APPLICABLE TO ALL CDBG PROGRAMS

DHCD reserves the right to incorporate any or all of the following Evaluation, Regulatory and Performance criteria in its award decisions:

Performance:

- reduce an award to a community with a program income balance of \$35,000 or more at the time of an award
- reduce or increase an award to a community to assure that a grant budget is reasonable. Review of budgets includes an evaluation of administrative and program delivery costs. General administration is limited to a percentage of the total grant budget; program delivery is limited to a percentage of each activity with which it is associated. Specific percentages are detailed in DHCD's CDBG Application Guidance.

G. CDBG PROGRAM COMPONENTS

Grant Award Amounts – For FY 2012 maximum grant amounts for available categories are listed below.

Category - CDF I/CDF II	Minimum Grant from Competitive Round:	Maximum Grant from Competitive Round:
Single Community	\$ 100,000	\$ 800,000/\$650,000
Single Community w/multiple targeted activities	\$ 100,000	\$ 800,000/\$650,000
Two or Three Communities (Regional)	\$ 100,000	\$ 900,000/\$725,000
Four or More Communities (Regional)	\$ 100,000	\$ 1,000,000/\$825,000
Planning- or Design-only grants	\$ 20,000	-----

Evaluation and Award Criteria

1. Applications will be scored on a 100-point system, with the potential for bonus points, as follows:

CRITERION	POINTS
Community Wide Needs	35
Project Packets	65
Total	100
Regional Bonus	2 per activity
Multiple Activities/Non-CDBG	Up to 10

Available Bonus Points

Regional activities - fundable activities that will serve multiple communities will receive an additional **two** points. Regional activities are defined as housing rehabilitation in multiple communities, social services provided to multiple communities, or shared facilities or planning/design activities that will be administered and bid centrally on behalf of regional participants.

LIMITATIONS/CONDITIONS ON SUBSEQUENT CDFI APPLICATIONS

A Community Development Fund I community that receives an award from the Community Development Fund is precluded from applying to a Community Development Fund program for the following federal fiscal year except that a community previously awarded funds for an architectural/engineering design project may apply in the next federal fiscal year for funding to implement the project. The maximum grant award for implementation however, will be reduced by the amount of the previous design grant.

Several possible changes previewed in the FY 2011 One Year Action Plan are no longer under consideration for FY 2012:

- Evaluation of the use and availability of bonus points in competitive applications
- Changes in the method, evaluation and calculation of Community Wide Need scores
- Determination of eligible Mini-Entitlement communities
- Possible requirements for multiple physical activities in target areas

DHCD will hold information sessions to receive comments on proposed changes to the FY 2012 CDBG One Year Action Plan. Times and locations will be distributed shortly. Interested parties should feel free to submit comments, in writing or via email, directly to the CDBG program prior to the scheduled sessions. Comments may be directed to: Mark Siegenthaler, Community Development Manager, DHCD, 100 Cambridge St, Suite 300, Boston, MA 02114 or mark.siegenthaler@state.ma.us.